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**Making Sense of Decoupling Through Narration:
The Case of Fighting Corruption in Global Business**

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Abstract

Previous organizational research on decoupling in the context of socio-environmental governance has suggested a trade-off between compliance and goal achievement, meaning that remedying the decoupling of policies and practices tends to jeopardize efforts to remedy the decoupling of means and ends. We expand on previous research on the trade-off between compliance and goal achievement by examining the spatiotemporal processes of sensemaking by which the meaning of compliance and achievement is negotiated among multiple actors. Taking a qualitative analytical approach we examine the evolution of anti-corruption policies at Siemens and affiliated actors, and describe how different anti-corruption narratives have developed over time at different locations and how they have been linked to each other. We explain that through narration actors develop a shared understanding of what it means to be compliant and successful and elaborate how the apparent tension between compliance and goal achievement is dissolved through story-telling. Our study contributes to decoupling research by examining the ideational-communicative dynamics underlying the social deconstruction of the compliance-achievement gap.

Keywords

Compliance, Decoupling, Fighting Corruption, Goal Achievement, Sensemaking

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INTRODUCTION

Decoupling is a prominent concept in organization theory ever since the seminal contribution by Meyer and Rowan (1977). For a long time, scholars focused on the analysis of deviations between actual practices and formal policies of organizations, i.e., they explored instances of policy-practice decoupling (for an overview, see e.g. Boxenbaum & Jonsson, 2008). More recently, the deviation between practices and intended outcomes has caught scholarly attention and was identified as another type of decoupling, “means-ends decoupling” (Bromley & Powell, 2012; Wijen, 2014). Wijen (2014), for example, has theorized the existence of a trade-off between strict compliance with formal policies and the achievement of intended outcomes. He suggests that policy adherence is not conducive to goal attainment but can in fact jeopardize organizational objectives in cases where the links between policies and outcomes, due to their complexity, are not well understood.

A thorough analysis of the existence, causes, and relationships between different kinds of decoupling is particularly relevant in the context of globalization: In this setting, multinational corporations (MNCs) operate in complex institutional environments across multiple geographic spaces, are often confronted with heterogeneous demands and have to balance different expectations with regard to the appropriate design of socio-environmental governance (Kostova & Zaheer, 1999; Scherer & Palazzo, 2007). On the one hand, MNCs are pressured to adopt globally practices and norms that have been institutionalized at the home country level. On the other hand, implementing a unified set of practices in the whole MNC network is difficult in the presence of conflicting demands imposed by various stakeholders and host country actors (Scherer, Palazzo, & Seidl, 2013), because “satisfying some demands requires defying others” (Pache & Santos, 2010, p. 455). In this view, policy-practice decoupling is not only relevant in a mono-spatial context of conflicting demands within a school or hospital

(Meyer & Rowan, 1977) but particularly prevalent in the multi-spatial MNC context (Kostova, Roth, & Dacin, 2008; Pache & Santos, 2010).

Nonetheless, there is an increasing demand in the institutional environment of organizations for enforcing transparency and accountability to ensure compliance, i.e. the tight coupling of policy and practice (see Kostova et al., 2008; Wijen, 2014). In the context of complex and opaque socio-environmental governance, however, scholars have suggested that enforcing compliance is unlikely to yield the results formal policies intend to achieve; compliance may affect negatively the flexibility to cope with complex institutional demands (Greenwood, Raynard, Kodeih, Micelotta, & Lounsbury, 2011; Pache & Santos, 2010; Scherer et al., 2013) thereby undermining prospects of goal achievement (Bromley & Powell, 2012; Wijen, 2014). In other words, the trade-off between compliance and goal achievement seems particularly pronounced for MNCs.

While advancing our understanding of the challenges in socio-environmental governance, this stream of research has not yet sufficiently addressed the role of multiple actors, interests and interpretive schemes that are involved in the heterogeneous settings of global business, as well as the role of developments over time that may render decoupling a transitory phenomenon. Notions of ‘compliance’ and ‘achievement’ are often highly contested; their meaning is not fixed but negotiated within a dynamic and non-linear process of sensemaking (Haack & Schoeneborn, 2015; Weick, 1995). In the context of socio-environmental governance, sensemaking results from cognitive and linguistic processes and involves the construction of a shared interpretation of ethically contentious issues (Basu & Palazzo, 2008; Reinecke & Ansari, 2015). Communication is central for actors to make sense of a practice and the underlying means-ends relations and to eventually accept and enact behavioral prescriptions (Green, 2004). Acknowledging that sensemaking happens in and through communication or

storytelling in particular (Boje, 1991, p. 106), here we focus on the analysis of ‘narratives’, i.e. recurrent practices of storytelling that include a causal interpretation of a time sequence involving focal actors, events, motivations, activities and outcomes. Narratives contribute to the process of sensemaking by embodying “a sense of what is right and wrong, appropriate or inappropriate” with respect to the achievement of a certain objective (Pentland, 1999, p. 712). Empirical analyses of decoupling phenomena hence need to be concerned with identifying prevalent story-telling patterns and thoroughly scrutinize how actors draw on narratives for making sense of the supposedly contentious relationship between compliance and achievement.

We shall analyze narratives on compliance and goal achievement and their mutual relationship and co-construction by exploring the case of the global fight against corruption. We define corruption as the “misuse of an organizational position or authority for personal gain or organizational (or sub-unit) gain, where misuse in turn refers to departures from accepted social norms” (Anand, Ashforth, & Joshi, 2004, p. 40). In particular, this paper focuses on anti-corruption at the German MNC Siemens AG (Siemens) and also considers a diverse set of related corporate and non-corporate actors in the “issue field” of anti-corruption (Hoffman, 1999). After recovering from a corruption scandal of unprecedented scope in 2006/07, Siemens has gone through a process of radical change, with public authorities closely inspecting its structures and procedures (Gebhardt & Müller-Seitz, 2011). Siemens is now considered the benchmark in corporate anti-corruption programs and in many respects the company acts as a corporate pioneer in the global anti-corruption environment. Other Western MNCs such as Daimler AG or ABB Ltd. have also significantly increased their anti-corruption efforts after having faced corruption scandals in the recent past (Schembera & Scherer, 2014). Therefore, one can assume that formal policies – reflecting Western anti-corruption norms – and actual

daily practices at Western MNCs such as Siemens are likely to be closely aligned (Hartmann, 2012; Schembera & Scherer, 2014). At the same time, however, severe corruption risks continue to persist in the host countries of MNC subsidiaries (TI, 2012). This points to difficulties of achieving desired goals and questions the impact of universal standards and norms in the global fight against corruption.

We examine the possible tension between compliance and goal achievement in the global fight against corruption and particularly explore the evolution and eventual re- and deconstruction of this tension by asking: *Through which narratives do actors in the anti-corruption field make sense of the relationship between compliance and goal achievement? How do narratives relate to each other, and how do actors make sense of compliance and achievement over time and space?*

Our analysis of sensemaking among central actors in the anti-corruption field suggests that through narration actors develop a shared, yet space and time contingent, understanding of the relation between compliance and achievement allowing them to cope with complexity in the anti-corruption environment. Scholars recently identified the effect of the interplay of space and time on comprehensions of everyday life (Lefebvre, 2004) and MNC internationalization or resource planning (Haley & Boje, 2014; Quattrone & Hopper, 2005), and we expand on this research. We find that compliant MNCs and various types of non-corporate actors from the Western hemisphere implicitly accept practice-policy decoupling of host country actors for a certain period of time. Crucially, Western actors perceive the interaction of compliant and (transitory) noncompliant actors to be a necessary means towards achieving anti-corruption goals in the long run. Our analysis thus shows that rather than treating compliance and achievement as objectively observable or specifiable, their meaning is mutually consti-

tuted and thus subject to change, an insight that particularly applies to the alleged compliance-achievement gap.

Our contribution to scholarship in organization theory and business ethics is twofold. First, we contribute to organization theory by showing how incorporating the interaction of different actors across space and time in a narrative perspective puts the postulated tradeoff between compliance and goal achievement (Wijen, 2014) into perspective. That is, the trade-off and underlying (lay) theories and assumptions themselves are a product of social construction (Ferraro, Pfeffer, & Sutton, 2005). Critically, narrative sensemaking centered on an apparent trade-off amounts to an important stepping stone to resolving this very trade-off, a process we term “self-negating prophecy,” i.e. a prediction or assumption that causes itself to become *untrue*. Second, our research clarifies that the mainstream notion of a universalistic approach of anti-corruption and indeed the CSR mainstream imperative of enforcing compliance and transparency is unlikely to achieve desired outcomes as the meaning of corruption and other unethical or illegal practices is locally embedded and negotiated over time, with unknown and often un-anticipated results.

In the following, we describe the evolution, context and assumptions as well as the limitations of existing theoretical perspectives on decoupling. Based on this review, we craft our research questions before introducing our case context and methodological approach to answer these questions. Finally, we present the findings and discuss the contributions of our study.

THEORETICAL BACKGROUND

Coping with institutional complexity: Theoretical perspectives on decoupling

In the following, we identify and compare two theoretical perspectives on decoupling in previous research, which we label ‘the classic view’ and ‘the instrumental view’. Based on our

review of these perspectives and the empirical findings obtained in this study, we suggest further down a third ‘integrative view’ on decoupling expanding the two previous perspectives, and provide an illustrative overview of the three perspectives.

The classic view: Policy-practice decoupling

The concept of decoupling has received much scholarly attention ever since the seminal contribution by Meyer and Rowan (1977). These authors described decoupling as a response to cope with complex or even contradictory demands in an organization’s environment by creating a gap between formal policies and actual organizational practices. According to this “classic” notion of decoupling (Haack & Schoeneborn, 2015), the adoption of formal policies and structures in conformance with external expectations allowed organizations to maintain legitimacy and social approval among its key constituents (e.g. Suchman, 1995). A main empirical focus within this perspective has been to confirm the presence of decoupling, i.e. scholars have sought organizations whose practices do not comply with issued policies (see Boxenbaum & Jonsson, 2008, p. 85). For example, the presence of policy-practice decoupling has been studied in the context of affirmative action officers in US colleges and cities (Edelman, 1992; Edelman, Petterson, Chambliss, & Erlanger, 1991) and in a railway company in Sweden (Brunsson & Olsen, 1993). In this paper, we treat the presence of policy-practice decoupling as synonymous to noncompliance; vice versa, we view compliance and policy-practice coupling as equivalents.

A central assumption of the classic view is that organizations engaged in policy-practice decoupling do not face social evaluation, understood as outside monitoring and inspection (Pfeffer & Salancik, 1978). Decoupled organizations can maintain legitimacy despite a lack of coordination and control due to the prevalence of “confidence and good faith” among their internal and external constituents (Meyer & Rowan, 1977, p. 357). The logic of confidence

and good faith, in turn, is upheld through a variety of practices, including the ascription of great autonomy for organizational subunits to allow for avoidance and discretion (Goffman, 2005), and the maintenance of face among individual participants (March & Simon, 1958). Another central assumption of the classic view is an understanding of actors as passive recipients of external constraints (DiMaggio & Powell, 1983).

Like the exemplary works on decoupling mentioned above, many studies within the classic view of decoupling tend to restrict their analysis on one geographic space: they examine decoupling within a college, city, hospital or government agency among other (see also Goodrick & Salancik, 1996; Greenwood et al., 2011; Heimer, 1999; Tilcsik, 2010). Moreover, the classic view implies that decoupling amounts to a sustainable strategy to cope with institutional complexity (in particular, see Meyer & Rowan, 1977), albeit more recently scholars have indicated that decoupling is often following by coupling processes and thus is merely a transitory phenomenon (Boxenbaum & Jonsson, 2008, p. 88; Scott, 2007; Tilcsik, 2010).

The instrumental view: Means-ends decoupling

In contrast to the classic view of decoupling, which addresses a gap between policies and practices, the instrumental view describes decoupling as a gap between means and ends. Rather than investigating the issue of noncompliance this perspective focuses on the uncertain relationship between implemented practices and the achievement of goals envisaged by developers and implementers of these policies (Bromley & Powell, 2012; see also DiMaggio & Powell, 1983; Wijen, 2014).

There are two central reasons for the emergence of this different perspective on decoupling: First, scholars observed that in recent decades external pressures on organizations toward accountability and transparency have intensified leading to an ‘audit society’ or ‘audit culture’ (Bromley & Powell, 2012; Power, 1999; Strathern, 2000). Through increasing NGO pressure

(Den Hond & De Bakker, 2007) and regulatory influences, organizations have been pushed “to align their policies and practices more closely and to conform to external evaluative criteria” (Bromley & Powell, 2012, p. 484) making decoupling of policies and practices increasingly difficult or even impossible (see also Kostova et al., 2008). That is, efforts of monitoring and control in today’s business environment have increasingly displaced the “logic of confidence and good faith” theorized in the classic view of decoupling.

Second, and simultaneous to growing demands for transparency, organizations are more and more expected to be responsible and take over the role of “corporate citizens” addressing transnational problems in spheres like the environment or labor norms (Matten & Crane, 2005; Scherer & Palazzo, 2007). Today, many stakeholders have growing expectations vis-à-vis global corporations and demand that these firms help solving societal problems that may well extend or even be far removed from the corporate objective of producing goods and services efficiently (Brunsson, 1989). While the transparency trend challenged central assumptions of the classic decoupling perspective, the growing socio-environmental expectations MNCs face then led to the emergence of the instrumental means-ends perspective rather than displacing the decoupling concept as a whole (Bromley & Powell, 2012).

In this instrumental decoupling view, it has been suggested that especially in the complex and opaque context of socio-environmental governance where practices, causality, and outcomes are hard to understand and trace, mitigating policy-practice decoupling is unlikely to yield the results for which policies have been designed (Wijen, 2014). Some scholars have even suggested a trade-off between substantive compliance and goal achievement arguing that “institutional entrepreneurs who remedy the policy-practice decoupling may enhance the disparity between means and ends, and vice versa” (Wijen, 2014, p. 302). The term ‘institutional entrepreneurs’ thereby refers to resource- and powerful actors who create new or change existing

institutions (Battilana, Leca, & Boxenbaum, 2009; Hardy & Maguire, 2008). This claimed trade-off is justified by the conclusion that the adopted policies are inappropriate. Remedying means-ends decoupling has then become the key research interest in this debate.

The instrumental view further differentiates itself from the classic view by highlighting more centrally the role of agency, for example by referring to the concept of institutional entrepreneurs, thereby acknowledging the possibility of more active responses of organizational actors to conflicting environmental expectations. Even more, by focusing on global socio-environmental governance and sustainability standards (Wijen, 2014), this view expands the mono-spatial or local focus typically applied in the classic view to a global dimension.

Limitations in previous perspectives on decoupling

The classic and instrumental views of decoupling significantly enrich our understanding of the relation between policies and practices, means and ends. However, both perspectives contain limitations that may obscure a more comprehensive understanding of the phenomenon. Most notably, our literature review of existing decoupling perspectives revealed a limited understanding of decoupling with regard to three criteria: (1) the role of developments over time, (2) the role of (geographic) space, and (3) the applied epistemological stance.

(1) Underlying the lines of reasoning in the recently emerged means-ends decoupling debate and especially in earlier studies within the policy-practice decoupling perspective is a static conceptualization of decoupling. By ‘static’ we refer to the missing analysis of social dynamics in the decoupling process and the presumption that decoupling is stable and lasts for good. Arguing that either institutional entrepreneurs ensure substantive compliance among adopters, thereby compromising the achievement of intended (socio-environmental) goals, or they favor flexibility in compliance to warrant goal achievement, thereby risking symbolic adoption Wijen (2014, p. 313) evokes the impression of taking a static view on decoupling. Addressing

the complex nature of socio-environmental problems, Wijen (2014, p. 310) highlights that “institutions such as sustainability standards that are conducive to compliance prescribe and incentivize adherence to clear rules” may create a ‘waterbed effect’, i.e. solving one problem while creating another (see also Dasgupta, 2000; Timmermans & Epstein, 2010). While acknowledging the importance of time (Wijen, 2014, p. 313), dynamics in the relation between compliance and achievement have not yet been incorporated in the central line of reasoning in the means-ends perspective.

(2) While the classic view originally focused on decoupling in local mono-spatial settings such as colleges, hospitals or government agencies, the instrumental perspective expands the geographic space by focusing on the global context of socio-environmental problems. Wijen (2014, p. 313) refers to the potential benefit of introducing context-specific ‘niche institutions’, i.e. arrangements classifying in between individualized agreements and universal institutions, for reducing the compliance-achievement tradeoff. We aim to expand on this suggestion by addressing whether and to what extent the relation between compliance and achievement varies dependent on a particular regional space nested within a global context.

(3) Several more recent studies in the classic decoupling perspective (e.g. Hallett, 2010; Tilcsik, 2010) and central studies in the instrumental view (Bromley & Powell, 2012; Wijen, 2014) assumed, at least implicitly, that a gap between policies and practices or means and ends is objectively observable, i.e. they often take an objectivist epistemological stance (see also Haack & Schoeneborn, 2015; Haack, Schoeneborn, & Wickert, 2012). An ‘objectivist’ view on decoupling emphasizes the importance of studying the nature of relationships among the elements constituting decoupling as a stable and permanent structure (Morgan & Smircich, 1980). In the instrumental means-ends perspective, the tradeoff between compliance and achievement tends to presume that envisaged societal goals are rather fix and do not

allow for interpretability or flexibility. Examples such as categorical bans on child labor or FAIRTRADE insisting that small farmers join cooperatives referred to in this debate illustrate this postulated rigidity (Wijen, 2014).

However, these conceptualizations of decoupling and the trade-off between compliance and goal achievement do not fully acknowledge the fact that in the heterogeneous settings of global business multiple actors, interests, and interpretive schemes are involved. In such a complex and multi-spatial context, notions like ‘compliance’ and ‘achievement’ may not always be uncontested. Arguments from scholars taking a social-constructionist viewpoint, which presumes that the social world amounts to a continuous process which is enacted through individuals (Morgan & Smircich, 1980), address this issue. From this point of view, one may expect that the meaning of compliance and achievement as well as the relationship between the two is no longer fixed but negotiated within a dynamic and non-linear process of sensemaking (see Haack & Schoeneborn, 2015; Weick, 1995). Communication is central in this process allowing actors to make sense of a practice and the underlying means-ends relations and to eventually accept and enact behavioral prescriptions (Green, 2004). In line with previous research on the communicative underpinnings of standardization (Haack et al., 2012), we regard the analysis of *narratives* to be particularly useful to explore the sensemaking processes of the compliance-achievement trade-off. Language, or narration, in this view is not literally reflecting reality but also creates and influences attitudinal and behavioral dispositions affecting actual choices (Cunliffe, Luhman, & Boje, 2004; Green, 2004; Pentland, 1999) such as the support of and compliance to organizational policies.

Addressing the identified limitations in previous decoupling perspectives by taking a dynamic, multi-spatial and social-constructionist view on decoupling based on an analysis of compliance and achievement narratives this study aims to explore how actors in the anti-

corruption field make sense of the relationship between compliance and goal achievement? We further seek to explain how narratives relate to each other and how actors make sense of compliance and achievement over time and space?

Case context: (De)coupling in the global fight against corruption

In this study, we want to empirically analyze the challenges identified in the classic and instrumental views of decoupling, particularly with regard to their assumptions with respect to time, space and social reality. Organizational corruption in today's globalized economy is the predestined setting to examine the decoupling phenomenon in all its types and occurrences spanning multiple heterogeneous geographic spaces and depicting significant dynamics in recent years. No corporate actor has undergone more severe organizational changes and nowadays plays a bigger role in this global anti-corruption field than Siemens, as we will outline in the following.

With the process of globalization, corruption has expanded transnationally, i.e. the involved corrupt actors and practices span multiple states. For example, an MNC with headquarters in one country may supply bribes to a government official in another country. Indeed, scholars argue that some forms of corruption, bribery in particular, are criminalized in every country of the world (Hess & Dunfee, 2000, p. 613; Nichols, 2012, p. 352). However, considerable heterogeneity exists with regard to what counts as corruption, tolerance levels and cultural expectations across countries and regions (Quah, 2011; TI, 2012). Under these conditions it is difficult for MNCs to determine behavior that is acceptable both in the host and in the home country context. When a business firm complies with social norms that are accepted in one context (e.g. the host country) this may lead to the deviation from different norms and expectations in another context (e.g. the home country) (Scherer et al., 2013). On the one hand anti-corruption legislations and business conventions of Western origin expect MNCs to apply

globally uniform anti-corruption rules. On the other hand the cultural values and social norms in other parts of the world, especially in emerging economies, often demand certain forms of business practices that contradict with Western standards (see Salbu, 1999; TI, 2012). This complexity and heterogeneity in the MNC environment resulting from a combination of universal rules and locally diverging business norms appears to be tailor-made for policy-practice decoupling.

However, as a result of increasing enforcement of Western transnational anti-corruption law (GibsonDunn, 2013), more and more Western MNCs were recently hit by a wave of corruption scandals and are now pressured to closely align their anti-corruption policies and practices (Gebhardt & Müller-Seitz, 2011; Schembera & Scherer, 2014). Between 2006 and 2008, German and US investigators discovered a corruption scandal at Siemens that was unprecedented in scale and geographic reach: “The corruption alleged in the SEC’s complaint involved more than \$1.4 billion in bribes to government officials in Asia, Africa, Europe, the Middle East, and the Americas” (Director of the SEC’s Division of Enforcement, SEC press release, Dec. 15, 2008). As a response to this scandal, also the company’s efforts in setting up anti-corruption processes and universally applying strict anti-corruption processes worldwide were unprecedented (Gebhardt & Müller-Seitz, 2011; Hartmann, 2012; Schembera & Scherer, 2014). Other Western MNCs such as Daimler, ABB, General Electric or Shell developed compliance programs that nowadays come close to the one at Siemens in many regards (Schembera & Scherer, 2014). Such MNCs (now) tend to strictly comply with the universal prescriptions of transnational anti-corruption laws of Western origin such as the Foreign Corrupt Practices Act (FCPA) or the UK Bribery Act (Nichols, 2012). We thus expect that the recent enforcement trend has made policy-practice decoupling for MNCs originating in the Western hemisphere increasingly difficult (see also Kostova et al., 2008).

Despite this potential compliance, i.e. policy-practice coupling, trend among Western MNCs and the ubiquity of laws condemning corruption, corruption is perceived to persist in every country of the world and in some regions even appears to remain the standard way of doing business (TI, 2012). To respond to the persistence and heterogeneity of corruption risks in its institutional environment and promote organizational compliance with anti-corruption rules, Siemens has put strong focus on ‘collective action’, i.e. “methods, activities, and alliances to jointly combat corruption” (Pieth, 2012b), involving peers, government and society (Zindera & Forstnig-Errath, 2013). Indeed, Siemens agreed on a settlement with the World Bank regarding allegations of systemic corruption in 2009 (World_Bank, 2009). The company committed “to pay \$100 million over the next 15 years to support anti-corruption work” (World_Bank, 2009, p. 1). Nonetheless, it appears safe to say that Siemens’s collective action efforts, from the establishment of a whole collective action organizational unit to comprehensive and continuous communicational efforts, go well beyond the terms of the World Bank agreement and aim to achieve a homogenization of organizational anti-corruption processes in its environment (see also Schembera & Scherer, 2014).

In sum, although the recent trend of enforcing transnational anti-corruption law has pushed several MNCs to comply with globally uniform rules or even actively engage themselves in the fight against corruption, the general perception in society remains that corruption persists in global business (TI, 2012) suggesting that goals have not yet been achieved.

METHODS

Research design

Studying the relation of compliance and achievement in the context of fighting corruption in global business from a social-constructionist standpoint is a rather novel endeavor. Consequently, it appears not possible to deduce testable hypotheses from previous studies on this

matter. We therefore chose to pursue an inductive and dynamic research design in order to identify and analyze narratives on compliance and achievement. As outlined in our review of the decoupling perspectives, a sensemaking view on compliance and achievement appears promising to examine how establishing a shared understanding of compliance and achievement is a dynamic context specific and interactive process which spans multiple actors, localities and periods. We thus want to examine the role of narratives and narration in the anti-corruption field. In particular, we seek to answer through which narratives actors in the complex and heterogeneous anti-corruption field make sense of the relationship between compliance and goal achievement. We further aim to shed light on the relation and development over space and time of these narratives. Ultimately, we may provide tentative evidence on how these narratives affect the compliance-achievement relationship at Siemens.

This analysis requires engagement with different types of actors in different institutional contexts with regard to anti-corruption. *First*, with regard to actors, we identified one central corporate multinational actor that has been affected and now itself affects the anti-corruption field – the German based MNC Siemens AG. Taking this firm as a sort of starting base for and red line through our analysis, we approach further corporate and non-corporate actors that are directly or indirectly related to Siemens. *Second*, with regard to institutional contexts, we selected two ‘extreme cases’ with respect to the phenomenon of interest (Strauss & Corbin, 1998), one displaying very low levels of perceived corruption risks and the other very high levels: Western Europe on the one hand and Asia on the other (TI, 2012).

Data collection

Our collected data consists of two primary sources, which we will present in the following: (1) 42 semi-structured interviews with representatives of Siemens and various other actors in the anti-corruption field, and (2) documentary data such as annual reports, handbooks and

media coverage. In Table 1 we provide an overview of interviewees, organizational affiliation and interview type (face-to-face, phone) as well as sources of documents.

Interviews. From November 2012 to April 2014, two of the authors conducted a series of 40 formal face-to-face and telephone interviews with central actors in the anti-corruption field. The range of interviewees includes representatives from different MNCs, NGOs (non-governmental organizations), IGOs (inter-governmental organizations), government, business chambers and field experts from practice and academia. However, reflecting our chosen focus on the case of Siemens, the central corporate actor in the anti-corruption field (Gebhardt & Müller-Seitz, 2011; Schembera & Scherer, 2014), many of these interviews either involve representatives of Siemens or interviewees connected to the case of Siemens, e.g. through their professional role. In addition, one author conducted two informal interviews with local people not directly acting in the anti-corruption field, a taxi driver and a small guesthouse owner formerly affected by corruption in the shipping industry.

For a first ‘grounding’, we collected interview data in low corruption risk contexts as part of a wider research project on fighting corruption. Having asked about the organization of corruption controls after a scandal in a first part of these interviews, we learned why and how certain actors have installed comprehensive compliance systems (Schembera & Scherer, 2014) and proceeded in the latter part of these initial interviews with questions on how these clean business process work in high-corruption risk contexts. We thereby looked for narratives on compliance and goal achievement with regard to the global fight against corruption. While this data mostly represented a centralized headquarters (HQ) perspective, we expanded our analysis in a second round of interviews to include local perspectives from actors in high corruption-risk countries. We chose the Southeast Asian region plus China considering that many countries in this region exhibit not only fundamental differences in cultural values and social

norms compared to many Western countries, but also some of the highest corruption risks (Luo, 2002; TI, 2012). Furthermore, pragmatic reasons such as English (except for China) as a common communication language and the presence of several collective action programs in SE Asia (Siemens, 2013) as well as good access to experts helped us to create important insights from this case. Interviews lasted between 45 to 120 minutes. They were tape-recorded and transcribed, except for the very few cases where the interviewee refused. For validation purposes, we sent all transcripts back to the interviewees, and in few cases received edits most of which clarified acoustical misunderstandings.

----- Insert Table 1 about here -----

Documentary data. Parallel to and interconnected with the interview data collection we complemented our qualitative analysis by including documentary data. Most notably, we collected documents relating to the organizations of the interviewed actors. This included email correspondence, annual reports, corruption publications such as brochures, handbooks or guides, and press coverage. These documents were of particular help to follow-up on interviewee cues and trace developments in the anti-corruption field over time.

Data analysis

To make best use of the dynamic process of data collection, we chose an inductive analytical approach meaning that our analysis of narratives started when data collection began (Corbin & Strauss, 1990; Gioia, Corley, & Hamilton, 2013; Hardy & Maguire, 2010). After each small set of interviews, the interviewer(s) took notes and discussed emerging themes among the coauthors. This allowed us to adjust and fine-tune our interview guides in order to follow-up on specific cues in a next round of interviews. Once we had a comprehensive set of interviews and documentary data collected, we applied a systematic process of open coding using qualitative analysis software NVivo to develop and validate emerging structures in our data

(Hardy & Maguire, 2010). Along this process of working through the various interviews and documents, we iteratively refined, consolidated or separated emerging codes. The coding structure was discussed among coauthors at various points along this process to address any ambiguities.

For example, we asked informants in our interviews how they perceive corruption risks in different regions worldwide and whether they think that there are different local understandings of corruption. Responses were mostly in accordance with well-established corruption perception indicators such as the corruption perception index (CPI) by Transparency International (TI) yet in certain instances also revealed ambiguities as to what counts as corruption. Further, we asked corporate respondents about the biggest challenges they face with regard to corruption when doing business abroad and how they deal with such challenges. Such questions triggered plenty of stories on compliance and noncompliance of actors from various regions of the world. Another central part of the interviews was to ask about recent developments in the fight against corruption and about goals envisioned by different actors. Answers typically included elements of stories on achievements and non-achievements, while responses with regard to anti-corruption goals hardly ever referred to clearly defined indicators but most often triggered metaphors including some kind of moving or flexible element.

Observing such a frequent use of metaphors and anecdotes in the interview responses reinforced our chosen focus on the analysis of narratives. We started our systematic narrative analysis by identifying recurrent utterances and narrative patterns (Hardy & Maguire, 2010), which we structured along the geographic space and time perspective addressed in the interview and documentary data. On this first, and lowest, level of analysis we aimed to identify codes that closely reflect the wording of our interview partners (see also Gioia et al., 2013), termed ‘story elements’ in our study. We added a *focus* classification for each of these story

elements, stating headquarters (*HQ*) if it was predominantly used with respect to the Western hemisphere, subsidiary (*sub*) if it refers mainly to the Asian (high corruption-risk) context, and *global* if it applies worldwide. Similarly, we noted if the ‘story elements’ refer to the past (t_0), present (t_1) or future (t_2 ; t_x emphasizing continuous processes). We then aggregated these story elements on a second level into whole ‘stories’, which themselves can be defined as fragmented yet recurring patterns that together constitute an overarching narrative (see Haack et al., 2012). Consequently, we use the term ‘narrative’ on the third and highest level of aggregation. ‘Stories’ combine the wording of respondents with information gained through the research process, whereas ‘narratives’ are then mainly informed by the research process. This three-level approach of structuring our data is well in line with recent inductive qualitative analyses (Gioia et al., 2013) and appears best appropriate to us to balance specificity and clarity. Figure 1 summarizes the 5 narratives, 9 stories and 23 story elements jointly comprising our data structure.

----- Insert Figure 1 about here -----

FINDINGS

We focus the presentation of our findings on sensemaking of compliance and achievement with regard to corruption in global business across space and time. In the following, we first focus on the present use of narratives across different geographic spaces before looking at developments of narratives over time within and across geographic spaces in a second step. Third and subsequent to the discourse analysis, we do include a set of prominent anti-corruption indicators to analyze the effects of the assessed sensemaking process on recent anti-corruption developments. Two data displays are part of this findings section. Figure 2 illustrates the coupling process model over time and space by distinguishing three time dimensions (t_0 : past, t_1 : present, t_x : future) and three space dimensions (West, East, Global) ac-

according to previous space-time conceptualizations (Bakhtin, 1986; Haley & Boje, 2014). Table 2 shows further supporting data to provide additional evidence for our findings.

Making sense of the present

With respect to making sense of the status quo of fighting corruption in global business, our systematic data analysis outline above revealed three central narratives: the *compliance despite non-achievement* narrative, the *noncompliance as means for achievement* narrative, and the *collective action* narrative.

Compliance despite non-achievement

The *compliance despite non-achievement* narrative, applied by various actors mostly referring to the Western context, can be summarized as follows:

Compliance despite non-achievement. More and more Western MNCs have now implemented strict compliance programs as a result of corruption scandals and law enforcement in the recent past. These MNCs often have no other choice but to adhere to Western laws of global reach despite the fact that in many parts of the world corruption is still regarded as a common business practice.

This narrative combines two main surface stories, i.e. fragmented yet recurring narrative patterns (Haack et al., 2012), that are often used in context with each other: a *substantive compliance* story on the one hand and a *no-level-playing-field* story on the other hand. The former story draws on three main elements: ‘complying with the rules’, ‘identifying clean business’, and confident voices in the sense of ‘yes we can’ (conduct clean business in dirty contexts). The baseline element of this story is the perceived need for MNCs originating in the Western hemisphere to comply with global anti-corruption rules despite the continuous heterogeneity of perceived corruption risks across the globe (TI, 2012), often construed as a result of having faced or observed numerous scandals and increasing enforcement in the recent past (GibsonDunn, 2013). This story element is used by different types of actors, including corporate (e.g. “The public prosecutor’s office was investigating at our premises and, as a listed

company at the New York Stock Exchange, of course the SEC as well. There was no choice.” Division and Regional Compliance Officer Siemens Switzerland) (see also Schembera & Scherer, 2014), and non-corporate actors (e.g. “hit by a lot of violation sanctions already, your controls have already matured to the point that you cannot afford any grey area in your policies.” Programme Director ASEAN CSR Network (ACN)). As a direct consequence to this construed lack of alternatives to strict compliance, corporate actors state that “[o]ur intention is basically to identify good partners“ (Siemens ASEAN Compliance Officer), for example by applying due-diligence processes like the Siemens Business Partner Tool in the business partner selection. Third, to make sense on why clean business is actually possible even in dirty contexts, we found plenty of encouraging reasoning à la ‘yes we can’ at Siemens but also at several other powerful MNCs. As the Finance Director of Shell Philippines Exploration puts it:

“We are a known brand. So yes, you could say it’s a market power, because Shell is a big player and we are known not to go into any under-the-table deals. (...) So, when we say no, they don’t insist. And we are still able to go through with our partners.”

The downside – i.e. latter part – of the *compliance despite non-achievement* narrative becomes evident in the *no-level-playing-field* story told by various actors explaining why compliance not necessarily leads to achievement referring to persisting differences of corruption risks and conceptualizations between Western and Asian geographic contexts. It is composed, on the one hand, of ‘limiting the impact or responsibility of individual actors’ and the ‘persistence of corrupt or intransparent business elsewhere’. These story elements reflect the arguably widely diffused perception, e.g. as evident in the Corruption Perception Index (TI, 2012), that there is clean (or fair) business in the West and corrupt (or unfair) business in many other regions worldwide. Or, as the Programme Director of ACN summarizes the industry rumors on the challenges of Siemens: “we guys, we need to play fair, you local guys are not playing fair“. Thereby, actors highlight challenges of transferring Western practices to high corrup-

tion-risk countries: “Siemens alone cannot make a change“ (Compliance Officer for ASEAN, Siemens) or “as far as the JVs (joint ventures) are concerned, ... we also do not have the possibility and the right to now - let’s say - force them to take over Daimler compliance tools or methodologies“ (Regional Compliance Office at Daimler Greater China).

On the other hand, there are elements of the no-level-playing-field story that question the ‘common’ distinction between clean and dirty, or fair and unfair. Actors refer to the global ‘ambiguity of what actually counts as corruption’ for example with respect to tipping and lobbying in the US (interview with TI Malaysia, among others), or the role of ‘managing perceptions’ e.g. as to how financial hubs like Singapore – or even Switzerland – are perceived as clean despite the fact that funds from risk zones come in and exit (Siemens ASEAN Compliance Officer). Most interestingly, actors make sense of such ambiguities as providing possibilities for ‘complying with rules but violating principles’:

“So you can work with the letter of the law, but leave out the spirit. So you can be 100% compliant, but no system is 100% perfect. So you can deal with all the rules, and you can still bypass them at key points, and get what you want. And that is the difference between compliance and integrity.” (Business Integrity Programme Manager, TI Malaysia)

This crucial story element combines the limits of anti-corruption law, the ambiguity in anti-corruption definitions and the difference between compliance and integrity. It thereby synthesizes not only major parts of the no-level-playing-field story but also of the overarching compliance despite non-achievement narrative.

To conclude, the *compliance despite non-achievement* narrative suggests that certain actors originating from Western Europe or the US appear to have taken a pioneering role by installing a comprehensive set of compliance processes that, potentially, allow them to do business in a ‘clean’ way despite the persistence of considerable heterogeneity with respect to corruption levels across different geographic spaces. Interestingly, however, due to the inherent

definitional ambiguities and the perceived lack of a waterproof anti-corruption law – beside certain firm characteristics – such formally strict compliance processes do not necessarily result in a lack of (Western) actor flexibility.

Noncompliance as means for achievement

Parallel to this narrative, we find stories clustering around what we call the *noncompliance as means for achievement* narrative. While originally sponsored mostly by actors originating from high-corruption risk context, now actors also from the Western hemisphere tend to use this narrative. It interprets the context of initial anti-corruption norm adoption in high-risk contexts like Southeast Asia (SE Asia) and can be summarized as follows:

Noncompliance as means for achievement. Firms originating in high-risk regions like SE Asia come from a very different context and are at a very different stage of development compared to Western MNCs. Quick wins are not always possible in such a heterogeneous situation. Getting noncompliant actors on board first is necessary to gain momentum toward the achievement of global anti-corruption goals.

While substantive compliance is increasingly perceived as the only option for Western MNCs, the vast majority of interviewed actors regards – a transitional phase of – non-compliance for actors originating in high corruption-risk contexts as inevitable. Even more, they perceive this initial step of committed, albeit non-compliant, adopters as a promising if not necessary mean to gradually achieve compliance and anti-corruption goals globally. Accordingly, this narrative is captured through two main stories: *acknowledging heterogeneity* and *reaching out*. Concerning elements of the former, actors of different type are ‘highlighting others’ particularities’ with respect to high corruption-risk regions and engage in ‘perspective-taking’. While the previous *no level playing field* story was restricted on identifying heterogeneity, actors are now also making sense of and even relativize heterogeneity. Highlighted particularities for example refer to the country level ...

„ ... the agreement was [that] there is no ranking and in a way it also makes sense, because you cannot really compare apples and oranges, you know, countries with very

different backgrounds, with very different level of content, very different contexts.“
(Regional Anti-Corruption Adviser SE Asia and Pacific, UNODC)

... or firm level: small firm size is repeatedly used as a reason leading to repercussions like delays when rejecting to bribe (Finance Director, Shell Philippines). Interestingly, actors even express understanding for others' particularities when taking their perspective, as done for example by the Regional Compliance Officer for ASEAN at Siemens:

It's about the person who's not earning so much and sees now someone's giving me more. What would I do? I take that. So there are so many different dimensions to it. Singapore government, basically, their administrators are paid as much as a CEO of a company is paid.

As we picture it, this *acknowledging heterogeneity* story about actors making sense of why others are different and being able to take different perspectives is crucial to understand the narrative's other story on the need for *reaching out*. Having identified or even acknowledged such heterogeneity in the anti-corruption field, actors of all types (excluding a former representative of Singapore's anti-corruption law enforcement agency CPIB) argue for the importance of 'getting others on board first' in order to be able at all to 'gaining momentum and conditioning people's minds'. To let the data speak, the Regional Anti-Corruption Adviser for SE Asia and the Pacific at the United Nations Office on Drugs and Crime (UNODC) explains that "our first agenda is usually ... we get them on board, because once they do that ... then we have a clear framework to work with them. (...) to get them on board you need to use a system they are all open to". The Secretary General of TI Malaysia gets right to the point when noting that "[w]e have to go across the board. The more the merrier, my friend". Most of the times, this element is directly succeeded by the other reaching out story element, arguing that "[o]nce they have actually ratified, they have obligations. (...) it also creates a momentum in countries to do it, because sometimes even the national authorities may want to do it, but they may not have the momentum or the support ..." (UNODC, SE Asia and Pacific). Appealing to

people's principles and values, a representative of the Integrity Initiative in the Philippines financed by Siemens even notes that, compared to a hard approach of fighting corruption,

“[i]t's the better approach actually (to) make people go back to their values, reflect on them, because at the end of the day that's really what's happening in the world – ... you are too selfish about your own needs, you won't think of other people. It's all ethical issues. These are not legal issues.”

Collective action

Up to now, we identified the parallel existence of two – on first sight opposing – narratives both incorporating extremes within themselves: one making sense about compliance and non-achievement, the other dealing with noncompliance and achievement. An outside observer ignoring the discourse among central actors may have observed contradictions between these two narratives. However, the process of conferring meaning to the perceived differences as evident in the various stories told by actors seems to resolve or at least reduce such contradictions. In particular, actors from low and high corruption-risk contexts make sense of certain linking mechanisms between the two narratives, which taken together we identified as a *collective action* narrative. Figure 2 illustrates the relation of the three narratives. This narrative focuses on the relation between actors from different geographic and institutional contexts and can be summarized as follows:

Collective Action. There is so far globally a different functional understanding of corruption that has to come together. Joint efforts between different actors are necessary to exchange knowledge and practices and identify common grounds for areas of collaboration.

Linking the two narratives above, we found the collective action narrative to be made up of two central story elements, *educating* and *leveling the playing field*, told mostly from actors with origins in the West. Concerning the first, we noted with interest that this narrative is not understood as a one way message falling on deaf ears; rather there are story elements on both 'leading by example' and 'willingness to learn/need for guidance'. On the side of the sender,

we heard Western actors in high-risk regions say that “[s]ome of these experiences and lessons learnt, ... we also want to share with our JVs.” (Daimler, Greater China). The Finance Director of Shell Philippines provides clear evidence on best practice sharing and makes sense of it:

“ ... (at) the quarterly leadership forum, I gave our contractors our hotline. I told them ‘if you think there is something you need to report, use this hotline or get in touch with your contract holder. ... like I said earlier, *be the example*, because ... the difference between an intelligent person and a wise person (is) the intelligent person learns from his mistakes. The wise person learns from the mistakes of others.”

Commenting on the current situation in the Philippines, a representative of Integrity Initiative acknowledges that “[t]his is really unique in the Philippines. It’s the private sector trying to change the landscape.”

Various actors from high-risk contexts receive such initiatives with benevolence, stating that

“[i]n all areas there is a learning requirement. (...) the advanced companies, we are counting on these guys to really help us spread the word. (...) because of Siemens, we were able to access a resource that’s critical in fueling our efforts, because there is no other mechanism working like that anywhere in the world. Even FCPA, if they get the fees from the penalties, it doesn’t go into the fight against corruptions.” (Integrity Initiative, Philippines)

Even governments appear to be willing to learn from private actors, as the Regional Compliance Officer for ASEAN at Siemens highlights: “he (Jericho Petilla, young new energy secretary of the Philippines) says ‘we need the support from various sectors, in this case Siemens’. And that I believe is one form of a vision also for a government to improve.” NGOs like TI Malaysia express their appreciation of transferring best practices by mentioning “[o]therwise, we would be talking to companies: how do we fulfill compliance?”. The process of sending and receiving best practices is also often told in direct combination: “we’re encouraging the advanced companies to provide the best practices, the templates, the tools, to have the lower-rated guys improve and reach that advanced level also” (Integrity Initiative, Philippines).

The *collective action* narrative is not limited to the *educating* story, but includes a *leveling the playing field* story. Whereas in the *compliance despite non achievement* narrative stories were told focusing on a *lack of a level playing field*, in the *collective action* narrative the *leveling the playing field* story focuses on the means to achieve desired ends; the framing is constructive and links already to a future oriented narrative, which we will turn to in the next section. One crucial story falling under this narrative is the need for ‘uniting actors and their thinking’ which is often seen as the only option to navigate through complex waters, as pictured by the Secretary General of TI Malaysia:

“in this world, we are now 173 ships, (but) nowadays, we have to be one hundred and seventy three cabins in a big liner. And this is where we are working together. ... 173 countries moving around the ocean. We are really lost. (...) we can no longer become a ship, we are 173 cabins in one big ocean liner working together.”

With regard to specific uniting mechanisms, actors see potential in „creating a round table with all integrity officers from multinationals to private sectors to government linked companies to company agencies (...) to start openly talking about topics, networking, creating basically a stakeholder concept “ (Regional Compliance Officer ASEAN, Siemens).

Beyond the construed need of getting together, the leveling the playing field story also entails elements on actually ‘finding common grounds’. NGOs like Integrity Initiative in the Philippines see their role to assist foreign firms dealing with corrupt governments: “this is where we come in. We try to expose the deal in such a way that it is a level playing field. That’s why we are important here.” Our interview partner at Shell Philippines, proudly shared with the interviewer the company’s successful interaction with the Philippine government: “we engaged the department of finance in coming up with a tax regulation saying that in order to prevent smuggling, ... why don’t you impose tax on all products and then if the company is able to prove that they re-exported it, then they get a refund on their tax.” However, finding common grounds is not always as straight forward as in this case involving a powerful corporate actor

and a willing government to close regulatory loopholes. Instead, the Leader of Collective Action at Siemens uses the metaphor of a “flowerbed, where it is uncertain which bulbs will bear fruit”.

Crucially, by including the analysis of anti-corruption documents, we found that this shared understanding about and educative and gradual approach to level the playing field through collective action only evolved over time. In earlier documentary data we found a much higher reference to so-called project specific ‘integrity pacts’, whose objective is to “[c]reate (a) level playing field ... by external monitoring of processes“ (Collective Action guide developed by the World Bank, UNGC, TI and Siemens among others, 2008). Monitoring of compliance, sanctions and external auditors have been identified as central elements in collective action that have to come into play directly after a first start-up workshop. Having recently interviewed representatives from Siemens, TI and the UN and examined very recent anti-corruption collective action publications, we can assess that now these actors refer much less to compliance-focused ‘integrity pacts’ and much more on commitment-oriented dynamic ‘integrity pledges’, whose ultimate goal is to “gradually move toward self-assessment” (Collective Action publication, ACN, funded by UK Foreign and Commonwealth Office, 2014).

----- Insert Figure 2 about here -----

Whereas this shift of story elements over time occurred with one overarching (collective action) narrative, we will turn in the following section to developments and shifts of story elements across different narratives, highlighting that the interviewed actors identified time as the crucial element in fighting transnational corruption. In fact, without acknowledging dynamics over time the interviewed actors would not be able to make sense of the two extremes of *compliance despite non-achievement* on the one hand and *noncompliance as means for*

achievement on the other. We elaborate on the role of time in making sense of (non)compliance and (non-)achievement in the following section.

Making sense of the future (and past)

Progress as achievement

Often directly succeeding actors' narration about differences of compliance and achievement across multiple geographic spaces, we identified several storytelling patterns that can be summarized as a *progress as achievement* narrative. This narrative is nowadays shared by different types of actors from different institutional contexts. Rather than merely referring to changes in high corruption-risk regions it includes (positive) effects of anti-corruption developments for Western corporate actors and anti-corruption institutions thereby spanning across the global context of anti-corruption goal achievement:

Progress as achievement. Progress takes time, but our efforts start bearing fruits. Western MNCs like Siemens helped to openly discuss corruption in public, which was not possible some years ago. Cases in high corruption-risk regions pop up in the media and people go to jail.

Despite the fact that various actors referred to strict compliance with regard to several Western actors in the *compliance despite non-achievement* narrative, on a global level actors do not seem to picture a fully compliant or corruption free world any time soon; they do not make sense of strict compliance as a reachable goal. Rather than referring to global anti-corruption goal achievement in absolute terms, actors construe any type of progress in this global context as achievement per se. "The end-goal of the Corporate Integrity Pledge is to have its collaborators work together with all the signatories in taking the pledge forward ..." (Collective Action publication, ACN). Put differently, in such a complex context involving corporate and sovereign non-corporate actors, the journey itself becomes the destination.

We detected the two stories *progressing step-by-step* and *open-ended process* as constitutive of this narrative. ‘Allowing for time to progress’ is a central element of the former story. Representatives from MNCs in the headquarters and subsidiaries believe that “these [collective action] processes take a lot of time” (Vice President Compliance, Siemens HQ) concluding that “you are going to take baby steps with this topic” (Sales Representative, Siemens Philippines). Similarly, NGOs like TI Malaysia note “most of us want to see success overnight, but you would not get this success of fighting corruption overnight. It takes some time”.

To support their logic of small steps, actors highlight that the seeds planted in the past are already ‘bearing fruit’. For example, a representative of Integrity Initiative Philippines perceives that “[n]o, actually his administration is bearing fruit” when asked about a potential disappointment of the high hopes regarding the new Philippine president Aquino over the next years. The Compliance Officer for ASEAN at Siemens uses both story elements jointly highlighting that “[y]ou have to accept the fact that it’s going to take time to make change. But said that, from where it was 10 years ago to where it is [now], there is change.” Instead of referring to any specific performance oriented anti-corruption indicators, actors identify certain perception-based cues as signs of progress. For example, the Regional Anti-Corruption Adviser for SE Asia at the UNODC notes “the global discourse has changed a lot in the past 20 years. Corruption has become an issue that is discussed globally. There is much more awareness about it. (...) it is still sensitive politically, but it’s not a taboo that it used to be.” Similarly, although knowing that TI’s corruption index (CPI) is purely perception based, many actors in the anti-corruption field refer to developments of CPI rankings over time as an indicator for progress in the fight against corruption. Finally, actors from within the high-corruption risk context highlight that small progresses from a Western perspective are actually

big when regarded from their perspective: “these changes happen in very small cycles but they are considered big changes.” (Compliance Officer for ASEAN, Siemens).

What has already implicitly shone through in the *progressing step-by-step* story is now explicitly outspoken in the *open-ended* (or even: *never ending*) *process* story. Actors regard full compliance on a global level as being out of reach portraying the fight against corruption as an ‘ongoing effort demanding constant recalibration’:

“It means that you have to continuously do things. It’s not only about the laws you have to pass. You have to have systems in place. You have to have prevention systems in place. You have to be implementing those laws. You need to have institutions which are capable of implementing all these normative frameworks. They need to have the capacity to do that and so on. (...) And these reforms I think it’s very naïve to think that you can pass these laws, and you can have an anti-corruption agency and everything, and you solved the corruption problem.” (Regional Advisor ASEAN, UNODC)

The Secretary General of TI Malaysia highlights the need for continuous recalibration when noting: “... the weakness is that people take advantages. Or, it is that they find more loopholes existing in law and regulation. So you come back to the square one.” Similarly, by using the flowerbed metaphor on the uncertainty of which bulbs may bear fruits, the Leader of Collective Action at Siemens expresses the need to remain flexible with regards to means and outcomes in the fight against corruption. When looking at the global picture, actors even tend to relativize the presence or possibility of full compliance in the Western context: “I think it is very difficult in the area of anti-corruption to say that ever about any country: ... you are perfectly implementing“ (UNODC, ASEAN). Rounding up this open-ended process is the element of framing goals in terms of ‘gradually raising the bar’:

“Now, what ... [we] want to do with the ASEAN CSR Network is to create a regional network gradually; first with countries which are ready, but then bring all of them. And that has two purposes. One is to create another level of commitment among companies from the region ..., to bring them all on the same level with their compliance system, to help coordinate, help exchange. But on the other hand, I also hope that they could bring more pressure on their governments, demanding actions from the government.” (ACN)

This element makes sense of the goals that are underlying the *leveling the playing field* story and the *collective action* narrative as a whole. Rather than formulating goals as specific outcomes such as ‘eliminating informal side payments in project bids globally by 2030’ or ‘eradicating intransparent financing of a business partner’s children’s education by 2020’, goals are stated in abstract terms such as raising commitment, help coordinate and leveling the playing field. It thereby seems to presume the fluid nature of defining means and ends in the fight against corruption as told in the previous story element.

To sum up, the phenomenon we identified in this sensemaking process in the global anti-corruption field is that actors from both the Western and Asian context speak with confidence about future progresses and seem to share a common understanding on what is acceptable and what is not. This shared meaning is observed despite – or rather because of – the fact that all actors do not have a predefined set of goals in mind and all seem to share the underlying conviction that eradicating corruption will never be possible.

Noncompliance

Finally, focusing on the past context when making sense of developments over time, we identify the almost uniform use of a *noncompliance narrative* by all interviewed actors with regard to Western MNCs in the time before having faced a recent series of scandals. Although actors often avoid referring directly to noncompliance in the past, through actors’ comparisons of the present and past, we at least indirectly identified elements of ‘insufficient anti-corruption processes’ and ‘lacking awareness and/or wrong mindset’ in the past clustering around a *symbolic adoption* story (Schembera & Scherer, 2014). With regard to the global context, both story elements are generally told. In contrast, when talking about the Western HQ context, actors tend to attribute noncompliance as a result of the latter element. The Regional Compliance Officer for ASEAN at Siemens perceives this distinction as follows:

So we single handedly started for example in Malaysia, it was a one man show. We built up a three men team. We went into trainings. We went into process improvement, implementation and roll-outs. And then today, it's up to a state where it is sustainable business, so to speak.

Also contrasting the present against the past and focusing on the latter story element on the lack of principles, a German Daimler representative now responsible for compliance in China remembers: “There was a huge effort to involve the entire company in formulating this new integrity code to make it better understandable (...). So I think it is a totally different culture, and you can't compare it to the one many years ago.”

To sum up, as illustrated in Figure 2, we found that central (non)compliance and (non)achievement narratives can develop and change with respect to one certain geographic context over time, and can coexist across multiple geographic spaces at the same time. In the Western hemisphere, we have clearly observed a shift from *noncompliance* to *compliance despite non-achievement* in line with arguments regarding the transparency trend and consequences of a set of corruption scandals of Western MNCS in the recent past. This latter narrative referring to the Western hemisphere currently coexists with the *noncompliance as means for achievement* narrative applicable to the SE Asian context. Both narratives appear to be of transitional use, as we identified them to be most often used by actors in close connection the progress as achievement narrative. They are linked through the *collective action* narrative, which is told by actors from both HQ and subsidiary, i.e. low and high corruption-risk, contexts to express the hope for dynamics over time. This future oriented focus in the sensemaking processes about the fight against corruption in global business then results in a *progress as achievement* narrative.

----- Insert Table 2 about here -----

Interplay of narration and tangible anti-corruption developments over time

Looking at recent developments in the anti-corruption field, there is tentative evidence that narratives can be related to certain material changes in the anti-corruption environment. Of course, anecdotal relations between narratives and material events are not a final proof of the constitutive nature of narration on real world outcomes, but they allow important insights into how communication and commitment oriented anti-corruption efforts and initiatives can translate into objectively observable anti-corruption developments.

Most notably, the planting seeds and bearing fruit metaphors within the collective action and progress as achievement narratives seem to connect with observable outcomes. For example we can observe not only rising signatory numbers but also rising numbers of self-assessments or more advanced implementation among participants in local integrity initiatives within ASEAN (see e.g. integrityinitiative.com). Moreover, Siemens lists examples such as the establishment of local committees in Brazil to promote the concept of ‘clean (Olympic) games’, the setting up of a Summer Academy/Masters in Anti-Corruption Studies or even a compliance pact with several competitors in the field of energy transmission in Argentina, suggesting that “[i]n several markets, the Collective Action of Siemens and its partners has now started to tangibly bear fruit” (Siemens Compliance System, 2013).

Following up on interviewees’ cues, we could also empirically observe the recent replacement of corrupt government officials by young and untainted personnel: the Philippine president Benigno Aquino III. (“actually his administration is bearing fruit“, Integrity Initiative Philippines), the Indonesian president Joko Widodo, as well as the new and young energy secretary of the Philippines Jericho Petilla are examples in this regard. Moreover, the communicative efforts of Shell Philippines directed to the Philippine government have led to the material outcome of engaging the Philippine government in the enhancement of tax measures that help

curtail oil smuggling. Two months after our interview with the Finance Director of Shell Philippines, the Philippine government representative Terry Ridon, who is primarily concerned with the reduction of oil smuggling explicitly “recalled a statement issued to media last February 2014 by Pilipinas Shell Petroleum Corporation Country Chairman Edgar Chua” (press release, House of Representatives, Republic of the Philippines, 08 June 2014).

DISCUSSION AND CONCLUSION

Previous perspectives on decoupling have significantly enriched our understanding of the relation between policies and practices, means and ends. This study aimed to further contribute to the decoupling debate by addressing central aspects that have not been fully incorporated in the literature and thus may obscure a more comprehensive understanding of the intricate relationship between different types of decoupling. We believe we add to the decoupling literature in the following ways: First, we expand insights from previous decoupling views by focusing on a multi-spatial geographic context. Second, we contribute to the instrumental view and early studies of the classic view by treating decoupling as a purely dynamic phenomenon. Third, applying a social-constructionist perspective, we add to previous works on decoupling, which suggest that policies, practices and outcomes are objectively observable and clearly definable. Integrating different actors and interests across multiple spaces and developments over time by taking a narrative approach that acknowledges both material and ideational dimensions of decoupling, we develop in the following an ‘integrative view’ on decoupling (see Table 3).

----- Insert Table 3 about here -----

We thereby contribute to the current decoupling literature by showing how the tradeoff between compliance and goal achievement as postulated by Wijen (2014) can be put into perspective by taking a multi-spatial and dynamic narration-oriented approach.

The integrative view: Dynamic (de)coupling

In our decoupling literature review, we outlined that recent developments like the transparency trend challenged central assumptions of the classic policy-practice decoupling view (e.g. Meyer & Rowan, 1977). Due to another trend, referred to as ‘rationalization of the environment’, an instrumental view on decoupling emerged (Bromley & Powell, 2012; Wijen, 2014). While the classic policy-practice decoupling perspective focused mainly on mono-spatial institutional complexity, the instrumental view expanded the geographic focus to the context of global socio-environmental governance. However, several studies within both views tend to neglect the social-constructionist tradition (Berger & Luckmann, 1967) that inspired the very first works on decoupling (Meyer & Rowan, 1977).

As summarized in Table 3, our study incorporates a social-constructivist epistemological stance. That is, we focus on the analysis of narratives and find that the meaning of compliance and achievement, and the relationship between the two, is no longer fixed but negotiated within a dynamic and non-linear process of sensemaking (see also Haack & Schoeneborn, 2015; Weick, 1995). Depending on the means available and valuable to involved actors, they may identify goals which appear worthwhile to them (Joas, 1996). Consequently, decoupling is described in our ‘integrative view’ as a ‘flexible understanding of compliance and achievement’ (see Table 3). Moreover, this view perceives actors in the anti-corruption field as being more interactive compared to the rather passively or actively responsive actor behavior assumed in the other two decoupling views. Not only regulatory institutions, but also many MNCs nowadays openly share and actively promote their anti-corruption practices with various actors worldwide. In the Philippines, for example, we even noted that “it’s the private sector trying to change the landscape” (Integrity Initiative, Philippines).

Table 3 also depicts the central assumption of our integrative view that the ‘meaning of compliance and achievement is ‘reciprocally typified’, i.e. mutually constituted among the involved anti-corruption actors. In the following we outline the reasoning behind this assumption by elaborating on the space and time dimensions of our integrative view. We thus further illustrate the pivotal role sensemaking (through narration) plays for gaining a holistic, i.e. material and ideational spatiotemporal (Haley & Boje, 2014), understanding of compliance and goal achievement.

Incorporating space: Making sense about geographic contingencies

First addressing the space dimension, we contribute to the decoupling literature by suggesting that the means-ends debate should expand further beyond an objectivist either-or (i.e. either compliance or noncompliance) perspective (see e.g. Wijen, 2014). Rather, we propose a social-constructionist, i.e. sensemaking, both-and perspective taking into account spatial contingencies of (non)compliance in relation to the achievement of global societal goals. The role of making sense of geographic differences through storytelling has been recently identified in studies on everyday life and MNC internationalization (Haley & Boje, 2014; Lefebvre, 2004). However, previous studies on compliance and achievement in the context of socio-environmental governance insufficiently recognize the potential of sensemaking to create a shared understanding of an interaction between compliant actors and noncompliant actors. Instead, scholars tend to regard compliance and noncompliance in clear separation, stating that (1) ensuring substantive compliance compromises the achievement of intended goals, while (2) favoring flexibility in compliance warrants goal achievement yet risks symbolic adoption (Wijen, 2014, p. 313).

Our findings as summarized in Figure 2 suggest that through narration actors in the anti-corruption field make sense of a parallel existence and interaction (middle box at t_1) of sub-

stantively compliant actors mainly originating from a low corruption-risk space (left box at t_1) and noncompliant actors in higher corruption-risk spaces (right box at t_1) to be conducive for goal achievement (at t_x) in complex institutional contexts. We were able to identify that actors develop a shared understanding about geographic contingencies requiring some actors to be compliant everywhere, other actors to be compliant somewhere and still others (so far) inevitably to be compliant nowhere.

In particular, Western and Asian actors make sense of uniform substantive compliance as the only option for MNCs originating in the Western hemisphere. Actors attribute this lack of choice for Western MNCs to noncompliance of these actors in the past, which led to major scandals and a radical rethinking (captured by the ‘complying with the rules’ story element in Table 2) (see also Schembera & Scherer, 2014). Having learnt their lessons the hard way, they now proclaim: “Only clean business is Siemens business - everywhere - everybody - every time...” (Peter Löscher, formerly CEO at Siemens). In contrast, local actors are only meant to be compliant when dealing with Western MNCs: “So, when they work with us, they have to follow our principles. But when they work with others, they don’t have those standards in place” (Finance Director, Shell Philippines). Importantly, our findings suggest that such a coexistence of different degrees of compliance is possible because actors tend to have an implicitly shared understanding about what compliance or corruption means (“... in practice, we all may agree that China’s corruption problem is more serious than Germany’s.” Chinese compliance officer at Daimler Greater China) without being able to clearly define what practices in which context actually count as noncompliant (“is it culture that they take it, ... or is it really not?” General Secretary, TI Malaysia). To remedy the theorized compliance-achievement tradeoff, previous studies suggest creating niche institutions that explicitly define the conditions of noncompliance and compliance (Timmermans & Epstein, 2010; Wijen,

2014; Young, 2012). In contrast, considering the apparent implicit understanding about who, where, when and why needs to comply as paraphrased in the quotes above, we suggest that such explicit context-specific definitions are hardly feasible on objectivist grounds.

Our findings suggest that without the presence of globally uniform rules and substantive compliers acting as institutional entrepreneurs in the first place, non- or partially complying actors would lack the guidance and willingness to become compliant. As one interviewee put it: “Otherwise, we would be talking to companies: How do we fulfill compliance?” This interaction between compliant and noncompliant actors appears thus as a necessary means to ultimately achieve global anti-corruption goals, which we capture in the narrative ‘noncompliance as means for achievement’ (see Table 3 for further evidence). Not without a reason, the Integrity Initiative in the Philippines has chosen the name SHINE project for their anti-corruption efforts. The interview partner explained that the project is meant to use institutional entrepreneurs like Siemens to ‘shine’ on other potentially less compliant or transparent actors. This metaphor is used by both compliant corporate actors and non-corporate actors and shows us how these actors make sense of remedying the compliance barriers in opaque fields as identified in the means-ends decoupling debate: lacking attention, lacking knowledge and lacking motivation (Wijen, 2014, p. 306). Through public events, compliance clauses in contracts with suppliers or collective actions, compliant actors like Siemens reduce behavioral invisibility. They thereby remedy a further compliance barrier and driver of opacity in complex global environments (Jiang & Bansal, 2003; O’Rourke, 2007; Spar & La Mure, 2003).

The coexistence of different degrees of compliance suggested here further contributes to the selective coupling literature within the policy-practice decoupling perspective (Pache & Santos, 2013). While these scholars have addressed the coexistence of selective coupling (decoupling and compromising) within one ‘hybrid’ organization, we extend the level of analysis

by examining the coexistence of selective coupling across geographic spaces. Finally, our contribution to perceive compliance and (transitional) noncompliance as complementary instead of exclusionary approaches further supports findings from other issue areas, including labor conditions in global supply chains. Authors in this field similarly highlight the benefits of joint problem solving, information exchange and best practice diffusion among actors at different stages of compliance implementation (Locke, Amengual, & Mangla, 2009).

Incorporating time: Ideational dynamics in global goal achievement

We further contribute to the decoupling literature by stressing that a shared space-contingent understanding about compliance and noncompliance can only be maintained as long as actors perceive progress toward goal achievement over time. The means-ends debate (Bromley & Powell, 2012; Wijen, 2014), earlier studies within the policy-practice debate (Meyer & Rowan, 1977) and several studies on sustainability standardization in general (Baron & Lyon, 2012; Campbell, 2007; King, Prado, & Rivera, 2012) take a predominantly static perspective on social reality. These studies thus neglect the powerful influence of ‘ideational dynamics’ on behavioral change and tangible outcomes scholars recently highlighted (Christensen, Morsing, & Thyssen, 2013; Haack et al., 2012; Tilcsik, 2010). ‘Ideational dynamics’ refers to a recently theorized process, according to which language may eventually become performative of certain ‘positive’ developments in the field of CSR and beyond (Christensen et al., 2013). The underlying mechanism of this process is referred to as ‘aspirational talk’, i.e. an organization’s publicly expressed commitment to reduce the gap between formal structures and actual activities. More precisely, a process of ‘moral entrapment’ and ‘creeping commitment’ may take place after organizations have publicly committed to moral values; such organizations may soon start to realize that they can actually be taken to task if they do not follow-up on their promises and seek to avoid losing their legitimacy (Haack et al., 2012). In

accordance with the psychological quest to avoid ‘cognitive’ and ‘emotional dissonance’, organizational actors adjust self-perceptions and interpretations of CSR to the “attitudes first taken by significant others toward it” (Berger & Luckmann, 1967, p. 132).

Incorporating such dynamics in sensemaking processes has proven fruitful in previous studies; for example, analyzing the context of MNC internationalization, Haley and Boje (2014, p. 1128) noted precisely that “metaphors unravel when faced with paradox”. Similarly, the analysis of narratives in our study turned out to be crucial for putting the postulated tradeoff in the debate about compliance and achievement in a more comprehensive perspective. Static objectivist perspectives on compliance and goal achievement conclude that socio-environmental governance schemes such as sustainability standards need to focus on compliance (right away), as otherwise goals cannot be achieved due to symbolic adoption by firms (Wijen, 2014, p. 306) (see also Baron & Lyon, 2012; Campbell, 2007; King et al., 2012). Taking a dynamic social-constructionist perspective in our analysis revealed that anti-corruption actors of different type and geographical origin care less about *how*, i.e. in what state of compliance or noncompliance, actors ‘get on board’, but much more on the fact *that* they get on board at all. Only then these actors perceive the opportunity for a joint navigation toward reciprocally typified goals. The focus is consequently much more on the journey than on the status quo or ultimate destination. That is, potential tradeoffs in the current state become negligible, if perceived as such at all, when actors focus on a progressive discursively typified understanding of compliance and goal achievement. Different types of actors used metaphors like flowerbeds, planted seeds or a jointly navigated big ocean liner, which help them understand that the collective end of fighting corruption is a moving target and organizational means for fighting corruption may only materialize along this process, which in turn will lead to a reinterpretation of the collective end. We thereby expand insights from studies

on the MNC internationalization processes, wherein the coexistence of contradictory stories spanning time and space have been identified (Haley & Boje, 2014), to the context of compliance and achievement in global socio-environmental governance.

It is to note, however, that we do not perceive the interviewed actors as being overly optimistic or simply naïve. We provided first anecdotal evidence that the metaphors used by actors are in some way reflected in observable and material anti-corruption outcomes. Positive participant statistics over time in local integrity initiatives financed or inspired by Siemens, personnel exchange in key government positions or Shell's success in enhancing tax measures in the Philippines are a first small set of exemplary material developments. So indeed, we suggest that the logic of confidence and good faith, which Meyer and Rowan (1977) have conceptualized as a necessary complement to policy-practice decoupling to secure organizational legitimacy, has shifted to means-ends decoupling. However, we should also be wary of the potential negative consequences in case actors no longer are able to identify certain cues of material developments which would render the confidence and good faith logic together with related ideational dynamics obsolete.

Synthesis. In sum, the integrative view on decoupling combines elements of both the classic and the instrumental view, most notably dynamic considerations in recent literature on the former and the global (multi-spatial) perspective of the latter, and highlights the role of narration and meaning creation in this global (de)coupling context. Our results from the analysis of narratives in the anti-corruption field therefore suggest understanding gaps between compliance and achievement, and between policies and practices, as moving targets that are subject to sensemaking processes and meaning negotiation. We highlighted how actors make sense about compliance and achievement through narration, e.g. by using stories and metaphors of collectively navigating a big ocean liner or planting seeds and referring to

particular historical and/or geographic contingencies. Haack and Schoeneborn (2015) have recently suggested to include ideational dynamics in the means-ends conceptualization of Wijen (2014) and suggested that “[i]t is ultimately by “means” of policy-practice decoupling that the “end” of “effective” socio-environmental governance can be achieved.” Our dual focus on sensemaking across time and space taken here has helped us to further add to this debate: In our integrative view, it is ultimately by ‘means’ of *interaction between policy-practice coupling and policy-practice decoupling* that ‘effective’ socio-environmental governance can be achieved.

Implications for fighting organizational corruption and CSR

Our third contribution is of relevance to scholars and practitioners in the field of anti-corruption and CSR alike. On the one hand, we contribute to anti-corruption literature that focused on an objectivist perspective on the phenomenon. Given the collective nature of the corruption problem involving public and private actors with heterogeneous and sometimes contradictory interests (Kingston, 2008; Pieth, 2012a), previous corruption literature has also focused on collective action as a means to curbing corruption (Petkoski, Warren, & Laufer, 2009; Pieth, 2012a). While these studies were mostly restricted to an objectivist perspective on corruption treating the issue predominantly as a rational choice problem (see also Ostrom, 1998), we contribute to theorizing on collective action by highlighting the role of creating a flexible and discursively typified meaning of corruption and compliance through the discursive elements of collective actions. Signing a letter of joint commitment may be perceived as a mere rational choice of a specific actor aiming to maximize its business opportunities in the first place, while the ideational dynamics potentially succeeding such a signature having laid a first common basis for talking to each other have been neglected in this literature.

On the other hand, our study contributes to recent narration-oriented (social-constructionist) anti-corruption studies. By demonstrating that the meaning of corruption may vary with respect to the geographic context, our findings support the findings of Gephart (2014) suggesting a contested meaning of anti-corruption and further contribute to this literature by outlining how the construction of anti-corruption meaning may develop over time. By clarifying that the mainstream notion of a universal approach of anti-corruption is unlikely to achieve desired goals, our research is in line with recent analyses of narratives on the construction of success in anti-corruption activity in Georgia (Di Puccio, 2014). We further contribute to the identified search for a mutual validation of different understandings of success by showing that the creation of a mutual understanding of anti-corruption goal achievements is shaped by considerations of both space and time (see Figure 2).

Like corruption, CSR in general seems to be a moving and contested concept (Lockett, Moon, & Visser, 2006; Okoye, 2009), whose ideals, standards and targets are continuously shaped through discourse and interactions among legislators, corporations and other actors in the field (Gilbert, Rasche, & Waddock, 2011; Scherer & Palazzo, 2011). Accordingly, our findings suggest that the central arguments in the recent CSR literature on ideational dynamics are also applicable to the specific issue of fighting corruption. The mechanisms of ‘aspirational talk’ with regard to CSR in general (Christensen et al., 2013) and those of ‘moral entrapment’ and ‘creeping commitment’ as identified in the context of environmental CSR issues (Haack et al., 2012) also appear valid in the specific context of fighting corruption.

Surprisingly though, the development of narratives in the anti-corruption field faces a certain time lag compared to narration dynamics in the environmental realm. Still a great amount of story elements in our study focused on the ‘getting on board’ metaphor, whereas they tend to refer to commitment mostly in a prospective view. In contrast, in the environmental domain

narratives of different actors may have already shifted from ‘joining the club’ toward ‘commitment’ (Haack et al., 2012). This potential time lag in the context of corruption vis-à-vis other CSR issues is further supported by the observation that the largest voluntary CSR initiative worldwide, the UN Global Compact, has added an anti-corruption principle only four years after CSR issues on the natural environment, human rights and labor norms had been in place. Even more, the interviewed program manager at ACN as well as the president of the local Singapore Compact have highlighted that corruption has only recently been included in public CSR debates.

The other way round, our findings on anti-corruption may contribute to recent studies on ideational CSR dynamics by highlighting the significant role of interactions and collective actions not only between different types of actors but also between the same types of actors. While Haack et al. (2012) focused on the reciprocal creation of meaning between banks and NGOs, future research is needed to explore ideational dynamics between e.g. compliant and noncompliant corporate actors, their mutual interests and reasoning involved. Such studies tend to suggest that the different use of narratives is mainly attributable to the type of actor, e.g. “the failure narrative was solely told by NGOs” (Haack et al., 2012, p. 827). In contrast, we suggest that primarily the point of reference, e.g. geographic or firm-specific context, explains the use of a certain narrative. Rather than NGOs solely referring to non-achievement and private actors referring to compliance, actors are flexible to incorporate different perspectives and refer to a specific point of view depending on the institutional context. This flexibility embodied in single actors to selectively apply a certain narrative dependent on the underlying context – together with the incorporation of dynamics over time – explains how actors can make sense of both compliance and noncompliance in the complex context of transnational corruption.

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Table 1: Overview of data

Organization Type	Organization Name	Representative	Data Type
Companies	Siemens, Asia Pacific	Senior compliance	Personal interview
	Siemens, Collective Action	Vice president compliance	Telephone interview, 3 Integrity Initiative annual reports, Collective Action guide (with World Bank and others)
	Siemens, HQ	Senior compliance	2 personal interviews, Telephone interview, 5 Annual & Sustain. Reports, Compliance System publication
	Siemens, Philippines	Senior sales	Telephone interview
	Daimler, Greater China Ltd.	1 local & 1 international senior compliance	Telephone interview
	Daimler, HQ	1 senior & 1 mid-level compliance	2 personal interviews
	Shell, Philippines SMART Technical Services Co., Myanmar	Finance director General manager	Personal interview, presentation slides Workshop presentation, presentation slides
Chambers, regional networks & industry initiatives	Singapore Compact (Local UNGC network)	Senior	Personal interview
	ASEAN CSR Network (ACN)	2 program directors	3 personal interviews, publication
	Integrity Initiative, Philippines	1 from MBC & 1 from ECCP	Personal interview, integrity compliance handbook
	Indonesian Chamber of Commerce and Industry, (KADIN BSD)	Senior	Personal interview, follow-up email correspondence
Government	Association of Southeast Asian Nations (ASEAN)	Former Indonesian Ambassador to ASEAN	Personal interview
	CPIB, Singapore (Corrupt Practices Investigation Bureau)	Former senior rep.	Short conversation, workshop pres.
Non- and inter-governmental organizations	UNODC (UN Office on Drugs and Crime), South-east Asia and the Pacific	Senior	Personal interview, workshop pres.
	UNGC (Global Compact), Transparency & Anti-Corruption	Senior	Short conversation, workshop pres.
	UNIDO (Industrial Development Organization), Vietnam	Senior	Several short conversations
	Transparency International (TI) Philippines	Executive director	Personal interview
	TI Malaysia	2 senior	Personal interview
	IDEAS (Institute for Democracy and Economic Affairs), Malaysia	Manager, pol. economy & governance unit	Personal interview, publication
	Thai Listed Companies Association	President	Personal interview
	TI Germany, Berlin	Former rep. (Integrity Pacts)	Telephone interview, brochure
	Singapore Compact (UNGC network)	Executive director	2 personal interviews
Academia	Uni. of Nottingham, Malaysia campus	Professor	Email correspondence
	HTW Chur	Professor	Personal interview

Table 2: Sample quotes of selected narratives and story elements

<i>Narratives & Surface Stories</i>	Story elements	Sample quotes
<i>Compliance despite non-achievement</i>		
<i>Substantive compliance</i>	Complying with the rules	<p>“The public prosecutor’s office was investigating at our premises and, as a listed company at the New York Stock Exchange, of course the SEC as well. There was no choice.” (Siemens HQ, Switzerland)</p> <p>“[H]it by a lot of violation sanctions already, your controls have already matured to the point that you cannot afford any grey area in your policies.” (ASEAN CSR Network (ACN))</p>
	Identifying clean business	<p>“Our intention is basically to identify good partners.” (Siemens, ASEAN)</p> <p>“... we’ve hardly been, or not at all, into government entities. So mostly, the entities that we have been into ... are mostly private firms, so it makes it easier for us (Siemens, Philippines)</p>
	Yes we can	<p>“We are a known brand. So yes, you could say it’s a market power, because Shell is a big player and we are known not to go into any under-the-table deals. (...) So, when we say no, they don’t insist. And we are still able to go through with our partners.” (Shell, Philippines)</p>
<i>No level playing field</i>	Persistence of corruption and intransparent business elsewhere	<p>“[W]e guys, we need to play fair, you local guys are not playing fair“ (ACN)</p> <p>“There are differences in the understanding of corruption and the tolerance level. ... There are a sort of activities that are just - well - accepted.” (Daimler, Greater China, referring to China)</p> <p>“... at least the majority of European companies are doing their level best, on the same level. But you cannot say the same for the Koreans and the Japanese. We cannot see the same. (Siemens, ASEAN)</p>
	Ambiguity of what actually counts as corruption	<p>„Do they think it is a bribe at all? ... I think a lot of people will say, no, I don't give bribes, but I do look after my clients ... And that's the question about how is it seen locally versus internationally.“ (TI, Malaysia)</p> <p>“How do you differentiate between professional activity and a personal activity?“ (Siemens, ASEAN)</p> <p>“Let's go into USA, America. It's very common that they get tips. If you want to have a nice dining table, you tip. If tips are a form of corruption, of petty corruption, how do you define that? ... And what about the lobbyist system in America? ... the difficulty that people have in actually uncovering who has given how much to which party when is symptomatic of the actual lack of transparency...” (TI, Malaysia)</p>
	Managing perception	<p>“He [the government official] has not forced us down our throat. He was basically saying ‘please use ... there is this partner, I recommend this person’. As long as he doesn’t put it to our head saying ‘if you don’t use him, you can’t do this’, I have no issues.“ (Siemens, ASEAN)</p>
	Complying with	<p>“It’s a game of perception. ... certain governments are very good with containing such publicity and perception. They put in processes, they put in controls, but it doesn’t mean there are no bribery cases in Singapore.“ (Siemens, ASEAN)</p>
		<p>“So you can work with the letter of the law, but leave out the spirit. So you can be 100% compliant, but no system is</p>

	the rules but violating the principles	100% perfect. So you can deal with all the rules, and you can still bypass them at key points, and get what you want. And that is the difference between compliance and integrity.” (Business Integrity Programme Manager, TI Malaysia)
<i>Noncompliance as means for achievement</i>		
<i>Acknowledging heterogeneity</i>	Highlighting others’ particularities	“... the agreement was [that] there is no ranking and in a way it also makes sense, because you cannot really compare apples and oranges, countries with very different backgrounds, ... very different contexts.” (UNODC, ASEAN) “I think at some circumstances because we are a big player because the problem with the smaller players is that ... if they say no now, there will be some repercussions later on, like things will be delayed or a permit will not be issued right away because the official might take his time. So that is still possible.” (Shell, Philippines)
	Perspective-taking	“It’s about the person who’s not earning so much and sees now someone’s giving me more. What would I do? I take that. So there’s so many different dimensions to it. Singapore government, basically, their administrators are paid as much as a CEO of a company is paid.” (Siemens, ASEAN)
<i>Reaching out</i>	Getting others on board first	“[O]ur first agenda is usually ... we get them on board, because once they do that ... then we have a clear framework to work with them. (...) to get them on board you need to use a system they are all open to.” (UNODC, ASEAN) “We have to go across the board. The more the merrier, my friend.” (TI, Malaysia)
	Gaining momentum and conditioning people’s minds	“Once they have actually ratified, they have obligations. (...) it also creates a momentum in countries to do it, because sometimes even the national authorities may want to do it, but they may not have the momentum or the support. ...” (UNODC, ASEAN) “It’s the better approach actually (to) make people go back to their values, reflect on them ... It’s all ethical issues. These are not legal issues.” (Integrity Initiative, Philippines)
<i>Collective Action</i>		
<i>Educating</i>	Leading by example	“Some of these experiences and lessons learnt, ... we also want to share with our JVs.” (Daimler, Greater China) “I gave our contractors our hotline. I told them ‘if you think there is something you need to report, use this hotline or get in touch with your contract holder. ... like I said earlier, be the example ...’” (Shell, Philippines) “This is really unique in the Philippines. It’s the private sector trying to change the landscape.” (Integrity Initiative, Philippines)
	Willingness to learn	“In all areas there is a learning requirement. (...) the advanced companies, we are counting on these guys to really help us spread the word. (...) because of Siemens, we were able to access a resource that’s critical in fueling our efforts (Integrity Initiative, Philippines) “He (Jericho Petilla, energy secretary, Philippines) says ‘we need the support from various sectors, in this case Siemens’. And that I believe is one form of a vision also for a government to improve.” (Siemens, ASEAN)
<i>Leveling the playing field</i>	Uniting actors and their thinking	“In this world, we are now 173 ships, (but) nowadays, we have to be one hundred and seventy three cabins in a big liner. And this is where we are working together. ... 173 countries moving around the ocean. We are really lost. (...) we can no longer become a ship, we are 173 cabins in one big ocean liner working together.” (TI, Malaysia)

	Finding common grounds	<p>‘It is like a flowerbed, where it is uncertain which bulbs will bear fruit’ (Siemens HQ, Collective Action)</p> <p>“This is where we come in. We try to expose the deal in such a way that it is a level playing field. That’s why we are important here.” (Integrity Initiative, Philippines)</p> <p>“We engaged the department of finance in coming up with a tax regulation saying that in order to prevent smuggling, ... why don’t you impose tax on all products and then if the company is able to prove that they re-exported it, then they get a refund on their tax.” (Shell, Philippines)</p>
<hr/>		
<i>Progress as achievement</i>		
<i>Progressing step-by-step</i>	Allowing for time to progress (high-lighting dynamics)	<p>“These [collective action] processes take a lot of time” (Siemens HQ, Collective Action)</p> <p>“You are going to take baby steps with this topic.” (Siemens, Philippines)</p> <p>“Most of us want to see success overnight, but you would not get this success of fighting corruption overnight. It takes some time”. (TI, Malaysia)</p>
	Bearing fruit	<p>“No, actually his administration is bearing fruit” (Integrity Initiative, Philippines, referring to president Aquino)</p> <p>„ ... from where it was 10 years ago to where it is [now], there is change.“ (Siemens, ASEAN)</p> <p>“[T]he global discourse has changed a lot in the past 20 years. Corruption has become an issue that is discussed globally. There is much more awareness about it. (...) it’s not a taboo that it used to be.“ (UNODC, ASEAN)</p>
	Small steps are large steps	<p>“These changes happen in very small cycles but they are considered big changes.“ (Siemens, ASEAN)</p>
<i>Open-ended process</i>	Ongoing effort demanding constant recalibration	<p>“It means that you have to continuously do things. It’s not only about the laws you have to pass. You have to have systems in place. You have to have prevention systems in place. You have to be implementing those laws. You need to have institutions, which are capable of implementing all these normative frameworks. They need to have the capacity to do that and so on. (...) And these reforms I think it’s very naïve to think that you can pass these laws, and you can have an anti-corruption agency and everything, and you solved the corruption problem.” (UNODC, ASEAN)</p> <p>“... the weakness is that people take advantages. Or, it is that they find more loopholes existing in law and regulation. So you come back to the square one.” (TI, Malaysia)</p> <p>“I think it is very difficult in the area of anti-corruption to say that ever about any country: ... you are perfectly implementing“ (UNODC, ASEAN).</p>
	Gradually raising the bar	<p>“Now, what ... [we] want to do with the ASEAN CSR Network is to create a regional network gradually; first with countries which are ready, but then bring all of them. And that has two purposes. One is to create another level of commitment among companies from the region ..., to bring them all on the same level with their compliance system, to help coordinate, help exchange. But on the other hand, I also hope that they could bring more pressure on their governments, demanding actions from the government.“ (ACN)</p>

Table 3: Three theoretical perspectives on decoupling

	The classic view	The instrumental view	The integrative view
Decoupling description	Gap between policy and practice (symbolic adoption)	Gap between means and ends (symbolic implementation)	Gap as moving target
Main focus	(Non)compliance	(Non-)achievement	Compliance and achievement
Research interest	Remedying policy-practice decoupling	Remedying means-ends decoupling	Remedying policy-practice and means-ends decoupling
Central assumptions	Outside inspection negligible; logic of confidence and good faith	Transparency and accountability trend	Meaning of compliance and achievement is reciprocally typified
Actors	Passively responsive	Actively responsive	Interactive
Space	Local (mono-spatial)	Global	Multi-spatial
Time	Formerly static, increasingly dynamic	Mostly static	Dynamic
Epistemology	Tendency toward objectivist stance	Mostly objectivist	Material and ideational (social-constructionist)
Exemplary references	Meyer & Rowan, 1977, Boxenbaum & Jonsson, 2008	Bromley & Powell, 2012; Wijen, 2014	Christensen, Morsing & Thyssen, 2013; Haack, Schoeneborn & Wicckert, 2012

Figure 1: Data structure

Narrative	Surface Story	Story Elements	Focus
<i>Noncompliance (Retrospect)</i>	<i>Symbolic adoption</i>	Insufficient anti-corruption processes	HQ
		Lacking awareness and/or wrong mindset	HQ
<i>Compliance despite non-achievement</i>	<i>Substantive compliance</i>	Complying with the rules	HQ
		Identifying clean business	HQ
		Yes we can	HQ
	<i>No level playing field</i>	Limiting the impact or responsibility of individual actors	HQ & sub
		Persistence of corruption and intransparent business elsewhere	Sub
		Ambiguity of what actually counts as corruption	Global
		Managing perception	Global
		Complying with the rules but violating the principles	HQ
<i>Noncompliance as means for achievement</i>	<i>Acknowledging heterogeneity</i>	Highlighting others' particularities	Sub
		Perspective-taking	Sub
	<i>Reaching out</i>	Getting others on board first	Sub
		Gaining momentum and conditioning people's minds	Sub
<i>Collective Action</i>	<i>Educating</i>	Leading by example	HQ
		Willingness to learn	Sub
	<i>Leveling the playing field</i>	Uniting actors and their thinking	Global
		Finding common grounds	Global
<i>Progress as achievement</i>	<i>Progressing step-by-step</i>	Allowing for time to progress (highlighting dynamics)	Global
		Bearing fruit	Global
		Small steps are large steps	Global
	<i>Open-ended process</i>	Ongoing effort demanding constant recalibration	Global
		Gradually raising the bar	Global

Figure 2: Coupling process model – From noncompliance to achievement

